

TAFT, STETTINIUS & HOLLISTER

1800 STAR BANK CENTER
425 WALNUT STREET
CINCINNATI, OHIO 45202-3957

WASHINGTON, D.C. OFFICE
SUITE 500 — 825 INDIANA AVENUE, N.W.
WASHINGTON, D.C. 20004-2901
202-628-2838
FAX: 202-347-3419

513-381-2838
CABLE: TAFTHOL TWX: 810-461-2623
FAX: 513-381-0205

COLUMBUS, OHIO OFFICE
21 EAST STATE STREET
COLUMBUS, OHIO 43215-422
614-221-2838
FAX: 614-221-2007

NORTHERN KENTUCKY OFFICE
THOMAS MORE CENTRE
2670 CHANCELLOR DRIVE
CRESTVIEW HILLS, KENTUCKY 41017-340
606-331-2838
513-381-2838
FAX: 513-381-6613

February 8, 1993

CERTIFIED MAIL/RETURN RECEIPT REQUESTED

REGISTRATION NO. **18124** FILED 1425

Interstate Commerce Commission

12th Street & Constitution Ave., N.W. **FEB 10 1993 2-85 PM**

Washington, D.C. 20423

Attn: Mildred Lee
Room 2303

INTERSTATE COMMERCE COMMISSION
5-011A031

Dear Ms. Lee:

I have enclosed herewith an original and one copy of the document described below, to be recorded pursuant to Section 11303 of Title 49 of the U.S. Code.

This document is a Master Lease Agreement No. 2784, a primary document, dated January 28, 1993.

The names and addresses of the parties to the document are as follows:

LESSOR: Liberty National Leasing Company
P.O. Box 32500
Louisville, Kentucky 40232

LESSEE: Indiana & Ohio Rail Corp.
2856 Cypress Way
P.O. Box 12576
Cincinnati, Ohio 45212-0576

The equipment covered by the enclosed document is eleven (11) auto rail box cars bearing the reporting marks set forth in Exhibit A hereto.

A fee of \$16.00 is enclosed. Please return the original executed copy of the enclosed document to:

Philip F. Schultz, Esq.
Taft, Stettinius & Hollister
1800 Star Bank Center
425 Walnut Street
Cincinnati, OH 45202-3957

Ms. Mildred Lee
February 8, 1993
Page 2

A short summary of the document to appear in the index follows:

Master Lease Agreement No. 2784 between Liberty National Leasing Company, P.O. Box 32500, Louisville, Kentucky 40232, as Lessor, and Indiana & Ohio Rail Corp., 2856 Cypress Way, P.O. Box 12576, Cincinnati, Ohio 45212, as Lessee, dated January 28, 1993 and covering eleven (11) auto rail box cars.

Please call me if you should have any questions.

Yours truly,

A handwritten signature in dark ink, appearing to read "Philip F. Schultz", with a long horizontal flourish extending to the right.

Philip F. Schultz
Attorney for
Liberty National Leasing Company

PFS/lsc
Enclosure

cc: Peter E. Kelsey

EXHIBIT A

Eleven (11) 86', Auto Rail Box Cars bearing the reporting marks set forth below:

CAR NUMBERS:

<u>OLD</u>	<u>NEW</u>
GTW 126022	IOCR 86001
DTI 26812	IOCR 86002
DTI 26831	IOCR 86003
DTI 26886	IOCR 86004
GTW 126015	IOCR 86005
GTW 126805	IOCR 86006
GTW 126194	IOCR 86007
DTI 26834	IOCR 86008
DTI 26576	IOCR 86009
DTI 26335	IOCR 86010
GTW 305924	IOCR 86011

Interstate Commerce Commission
Washington, D.C. 20423

2/10/93

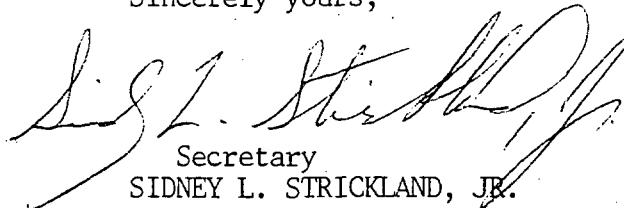
OFFICE OF THE SECRETARY

Philip F. Schultz
Taft, Stettinius & Hollister
1800 Star Bank Center
425 Walnut Street
Cincinnati, Ohio 45202-3957

Dear **Sir:**

The enclosed document(s) was recorded pursuant to the provisions
of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303,
on **2/20/93** at **2:35pm**, and assigned
recordation number(s). **18124**

Sincerely yours,



Secretary
SIDNEY L. STRICKLAND, JR.

Enclosure(s)

TAFT, STETTINIUS & HOLLISTER

1800 STAR BANK CENTER
425 WALNUT STREET
CINCINNATI, OHIO 45202-3957

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606-331-2838
513-381-2838
FAX: 513-381-6613

February 16, 1993

Interstate Commerce Commission
12th St. and Constitution Ave., N.W.
Washington, D.C. 20423
ATTN: Mildred Lee
Room 2303

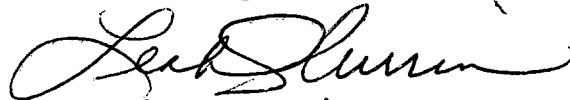
Dear Ms. Lee:

Pursuant to our telephone conversation earlier this morning, I am enclosing the recorded copy of the Master Lease Agreement No. 2784, Recordation No. 18124. Please return the recorded original of this document (the original document is on tan colored paper) to us at the following address:

Philip F. Schultz, Esq.
Taft, Stettinius & Hollister
1800 Star Bank Center
425 Walnut Street
Cincinnati, OH 45202-3957

Thank you.

Sincerely,



Leah S. Currin
Secretary to Philip F. Schultz

RECORDATION NO. **18124** FILED 1425

FEB 10 1993 2:35 PM

CERTIFICATE

INTERSTATE COMMERCE COMMISSION

The undersigned, Stephen M. Griffith, Jr., a notary public in and for the County of Hamilton, State of Ohio, hereby certifies that the copy of the document attached hereto has been compared with the original and that the undersigned has found the copy to be complete and identical in all respects to the original document.

Stephen M. Griffith Jr.

Notary Public

STEPHEN M. GRIFFITH, JR., Attorney at Law
NOTARY PUBLIC - STATE OF OHIO
My Commission has no expiration
date. Section 147.03 O.R.C.



Liberty National Leasing Company

A Subsidiary of Liberty National Bank

P.O. Box 32500
Louisville, KY 40232

18124
RECORDATION NO. FILED 1425

FEB 10 1993 2-35 PM

INTERSTATE COMMERCE COMMISSION

MASTER LEASE AGREEMENT NO. 2784

This is a MASTER LEASE AGREEMENT dated as of January 28, 1993 by and between LIBERTY NATIONAL LEASING COMPANY (hereinafter called "Lessor") having its principal place of business at 416 West Jefferson Street, Louisville, Kentucky 40202 and Indiana & Ohio Rail Corp. (hereinafter called "Lessee") having its principal place of business at 2856 Cypress Way
Cincinnati, Ohio 45212

1. PROPERTY LEASED

Lessor hereby agrees to purchase and lease to Lessee and Lessee hereby agrees to accept and lease from Lessor all of the personal property listed on each Equipment Schedule executed from time to time pursuant to this Master Lease (all property so listed on any Equipment Schedule now or hereafter executed is hereinafter called the "Equipment"). Each Equipment Schedule shall be substantially in the form of Schedule A annexed hereto and made a part hereof, shall incorporate by reference therein all of the terms and conditions of this Master Lease and shall include such other terms and conditions upon which the parties have agreed.

2. TERM

The term of the Master Lease shall commence on the date set forth above and shall continue in effect thereafter as long as any Equipment Schedule entered into pursuant to this Master Lease remains in effect. The term of each Equipment Schedule shall commence on the date such Schedule is dated and signed by the Lessor (hereinafter called the "Commencement Date"), and shall continue thereafter for the number of months set forth on such Equipment Schedule (such period of time is hereinafter called the "Basic Term"). Notwithstanding anything contained herein to the contrary, if there is a material adverse change in Lessee's financial condition between the date Lessee executes and delivers an Equipment Schedule to the Lessor and the Commencement Date, Lessor may, upon written notice to Lessee, cancel Lessor's obligation hereunder to lease the Equipment to Lessee.

3. RENTAL

During the Basic Term specified in each Equipment Schedule, Lessee shall pay to Lessor, without notice or demand at the times designated, the total amount specified as installments of Rental on such Equipment Schedule. All installments of Rental shall be paid to Lessor, or to its assignee, at Lessor's address set forth above or at such other address as Lessor may designate from time to time in writing. Lessee's agreement herein to pay installments of Rental when and as due in accordance with the Equipment Schedule shall be a non-cancellable agreement which cannot be terminated except as expressly provided herein. Lessee's obligation to pay all installments of Rental and other amounts payable hereunder and to perform its duties with respect hereto shall be absolute and unconditional under any and all circumstances, including, without limitation: (a) any setoff, counterclaim, recoupment, defense, or other right which Lessee may have against Lessor, the manufacturer, or supplier of any Equipment or anyone else for any reason whatsoever; (b) any defect in the condition, design, title, operation, or fitness for use, or any damage to or loss of any Equipment; (c) any insolvency, reorganization or similar proceedings by or against Lessee; or (d) any other event or circumstances whatsoever, whether or not similar to the foregoing. Each installment payment of Rental and each other payment made by Lessee hereunder shall be final and Lessee shall not seek to recover all or any part of such payment from Lessor for any reason whatsoever.

If any installment of Rental or other sum payable hereunder or under any Equipment Schedule is not paid when due, Lessee shall pay to Lessor a late charge equal to five (5%) percent of the amount not paid, plus interest on such delinquent amount from the date due thereof until paid at a rate up to the maximum rate allowed by law.

4. TITLE TO EQUIPMENT

The agreement evidenced by this Master Lease and by each Equipment Schedule is one of bailment or leasing only. The Equipment is, and shall at all times during the Basic Term and any renewal terms be and remain, the sole and exclusive property of Lessor. Notwithstanding any registration or titling of the Equipment to comply with regulatory laws of any state, Lessee shall have no right, title or interest in the Equipment as a result of this Master Lease or the Equipment Schedule except solely the right to use the Equipment as expressly set forth in this Master Lease and in any Equipment Schedule. All items of Equipment shall at all times be and remain personal property notwithstanding that the Equipment or any part thereof may now be, or may hereafter become, in any manner attached to or enclosed in real property or any improvements thereto.

5. DISCLAIMER OF WARRANTIES BY LESSOR

LESSOR MAKES NO WARRANTIES HEREUNDER OR UNDER ANY EQUIPMENT SCHEDULE, EITHER EXPRESS OR IMPLIED, AS TO ANY MATTER WHATSOEVER, INCLUDING WITHOUT LIMITATION, THE DESIGN OR CONDITION OF THE EQUIPMENT, OR ANY PART THEREOF, ITS MERCHANTABILITY, CAPACITY, DURABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, ITS OPERATION, INSTALLATION OR ANY OTHER MATTER, AND LESSOR HEREBY EXPRESSLY DISCLAIMS SAME. IN ADDITION, LESSOR MAKES NO WARRANTY WITH RESPECT TO THE QUALITY OF THE MATERIAL OR WORKMANSHIP OF THE EQUIPMENT OR ITS CONFORMITY TO THE PROVISIONS AND SPECIFICATIONS OF ANY PURCHASE ORDER OF LESSEE OR LESSOR RELATING THERETO. LESSEE LEASES THE EQUIPMENT "AS IS". Lessor shall not be liable to Lessee hereunder or under any Equipment Schedule or at law or in equity for any liability, claim, loss, damage or expense of any kind caused whatsoever directly or indirectly by the Equipment or any deficiency, defect, or inadequacy thereof or the use or maintenance thereof or any interruption or loss of use or loss of business or for any other damage of any kind. If the Equipment is not properly installed, does not operate as represented or warranted by the manufacturer or vendor, or is unsatisfactory for any other reason, Lessee shall nevertheless continue to pay to Lessor the full amount of the Rental due under the applicable Equipment Schedule and the full amount of any other sum due hereunder or thereunder.

6. SELECTION OF EQUIPMENT

Lessee acknowledges, represents and warrants that it has selected both the Equipment and the supplier(s) from whom Lessor is to purchase the Equipment based upon Lessee's own judgment. Lessee requests Lessor to order the Equipment and authorizes Lessor to insert the identifying data of the Equipment on each Equipment Schedule after the Equipment has been delivered and has been installed by the supplier(s) thereof.

7. REPAIRS; USE; ALTERATIONS

In addition to all installments of Rental, Lessee, at its own cost and expense, shall keep the Equipment in good repair, condition and working order and house same in suitable shelter; shall use, operate and maintain the Equipment in accordance with all laws and in accordance with the operating and maintenance instructions and recommendations of the manufacturer(s); and shall not make any alterations, addition or improvements to the Equipment without Lessor's prior consent. At the expiration of the Equipment Schedule, Lessee shall remove any attachments, alterations, accessories and additions made to or placed in or upon the Equipment and shall restore the Equipment to its original condition, ordinary wear and tear only excepted. Any such replacements, accessories, additions or attachments which cannot be readily removed shall become a component part of the Equipment and title thereto shall immediately vest in Lessor and shall be included under the terms hereof.

8. INSPECTION AND ACCEPTANCE

Lessee shall inspect the Equipment within ten (10) business days after receipt thereof. Unless Lessee shall within said period of time give written notice to Lessor, specifying any defect in or other proper objection to the Equipment, Lessee agrees that it shall be conclusively presumed as between Lessor and Lessee (a) that Lessee has fully inspected and acknowledged that the Equipment is in good condition, repair and working order, and (b) that Lessee is satisfied with and has accepted the Equipment in good condition, repair and working order in all respects for the purpose of this Master Lease, all Equipment Schedules thereof, and all purchase orders of Lessee assigned to Lessor or of Lessor with respect thereto. Lessee shall furnish Lessor with a signed and dated Acceptance Supplement in the form of Schedule B confirming its acceptance of Equipment described on each Equipment Schedule.

9. LABELS; LOCATION OF EQUIPMENT; CONSENT OF LANDLORD OR MORTGAGEE

Lessor shall have the right to enter into and upon the premises where the Equipment may be located for the purpose of inspecting the same or observing its use. If requested by Lessor, Lessee shall place plates, labels or other markings in a prominent place on the Equipment at Lessee's sole expense, indicating that Lessor is the owner thereof and Lessee shall not remove or obscure any such plates, labels or other markings during the Basic Term or any renewal term. Lessee shall not move any Equipment from the location shown on the applicable Equipment Schedule without in each such instance obtaining Lessor's prior written consent thereto.

Lessee shall, at its expense, take such action as may be necessary to prevent any third party from acquiring any right to or interest in the Equipment by virtue of the Equipment being deemed to be real property or a part of Lessee's personal property and shall, if requested by Lessor, obtain the written consent and waiver from Lessee's mortgagee(s) or landlord(s) to Lessor's right to remove the Equipment from the premises where the Equipment may be located upon default of Lessee under the terms of this Master Lease or the Equipment Schedule. Lessee shall indemnify Lessor against any loss which it may sustain by reason of Lessee's failure to take such action.

10. TAXES AND TAX INDEMNIFICATIONS

In addition to all installments of Rental, Lessee shall pay when due, and shall indemnify and hold Lessor harmless from, all taxes, fees or other charges of any nature whatsoever (except for any taxes based on or measured by Lessor's net income) including without limitation, all personal property taxes, costs of titling and/or registering the Equipment and all other charges, licenses and assessments, however designated, whether based upon the Rental or levied, assessed or imposed upon the Equipment or upon or in respect of the purchase, delivery, ownership, leasing, use, possession or return of the Equipment, now or hereafter levied, assessed or imposed during the term of each Equipment Schedule under the authority of a federal, state or local taxing jurisdiction, regardless of when and by whom payable, together with any interest thereon. Unless the law of the jurisdiction in which the Equipment is installed requires otherwise or Lessee produces an appropriate exemption or direct payment authorization certificate, Lessor shall add applicable sales or use taxes to each installment of Rental.

Each Equipment Schedule shall be entered into, and all installments of Rental referred to therein shall be computed on the basis that the Lessor shall be entitled to such deductions and other income tax benefits as are provided to an owner of property, including without limitation all deductions for depreciation. If Lessor shall lose, shall not have, or shall lose the right to claim, for any reason whatsoever (other than future changes in the Internal Revenue Code of 1986, as amended, Lessor's failure to timely claim an available deduction or benefit and except for the Lessor's inability to utilize a deduction because of the Lessor's insufficient income), or if there shall be disallowed or recaptured by Lessor all or any portion of such deductions or benefits, then subject to Lessee's right to contest in good faith at its sole cost and expense any such disallowance or recapture, Lessee agrees that upon written notice by Lessor to Lessee that such a tax loss has occurred, the aggregate Rental for the Equipment shall be increased by the amount of tax loss (including interest and penalties) incurred by Lessor, such that Lessor's actual net after tax rate of return over the entire Basic Term of the Equipment Schedule will equal the net after tax return that would have been available if the Lessor had been entitled to the deduction or benefit. Any dispute over the increase of Rental due to an amount of tax loss shall be submitted to Lessor's independent accounting firm for resolution and such firm's determination shall be binding on each of Lessor and Lessee. The Lessee shall pay the increase in Rental referred to in this paragraph in one lump sum if demanded by Lessor, or in such other manner as may be agreed upon by the parties. Should Lessee choose to contest with the appropriate tax authorities in good faith at Lessee's sole cost and expense any tax losses asserted by or incurred by Lessor under this paragraph, Lessee shall post a bond or other security with the Lessor in an amount sufficient to cover Lessor's tax loss (including interest and penalties) and Lessor shall then cooperate with Lessee in a reasonable manner in contesting the loss.

11. RETURN OF THE EQUIPMENT

Upon termination (by expiration or otherwise) of the Basic Term, or any renewal term without subsequent renewal, under each Equipment Schedule, Lessee shall, pursuant to Lessor's instructions and at Lessee's full expense (including, without limitation, expenses of transportation and in-transit insurance), return the Equipment to Lessor in the same operating order, repair, condition and appearance as when received, except for ordinary wear and tear. Lessee shall return the Equipment to Lessor at its address set forth herein or at such other address within the continental United States as may be directed in writing by Lessor.

12. REPRESENTATIONS AND WARRANTIES OF LESSEE

Lessee hereby represents, warrants and covenants that, with respect to this Master Lease and each Equipment Schedule executed pursuant hereto (a) the execution, delivery and performance thereof by Lessee have been duly authorized by all necessary corporate action and shall not contravene any law or the provisions of any agreement by which Lessee is bound; (b) the individual executing such is duly authorized to do so; (c) this Master Lease and each such Equipment Schedule constitutes a legal, valid and binding agreement of Lessee enforceable against Lessee in accordance with its terms; (d) the Equipment is personal property and when subjected to use by the Lessee will not be or become a fixture upon, or part of, any real property under applicable law; (e) all financial statements furnished to Lessor are true and correct and fairly represent the financial position of Lessee as of the dates shown thereon and the results of operations of the Lessee for the period represented and Lessee shall furnish Lessor with its annual audited financial statements during the term of this Master Lease and such other financial information as Lessor may reasonably request from time to time during the term of this Master Lease; and (f) the Equipment is not intended for and shall not be used for personal, family or household purposes of any natural person.

13. ASSIGNMENT

This Master Lease, any Equipment Schedule hereto and all rights of Lessor hereunder may be assigned by Lessor without Lessee's consent. Any such successor to Lessor's interest may be referred to hereinafter as the "Assignee." Lessee shall not transfer, sell, assign, sublet, sublicense, pledge or otherwise dispose of, encumber or suffer a lien or encumbrance upon or against the Equipment or against Lessee's interest under this Master Lease or any Equipment Schedule without in each such instance obtaining the prior, written consent of Lessor thereto.

14. INSURANCE

In addition to all installments of Rental, Lessee shall provide, maintain and pay for (a) insurance against the loss or theft or damage from every cause whatsoever to the Equipment for not less than the full replacement value thereof with loss payable to Lessor, and (b) personal injury and property damage liability insurance resulting from its ownership and use in amounts satisfactory to Lessor and naming Lessor and Lessee jointly as assureds. The proceeds of such casualty insurance, whether resulting from loss or damage or return premium or otherwise, shall be applied toward the replacement or repair of the Equipment of the payment of obligations of Lessee hereunder at option of Lessor. All insurance shall be placed with companies qualified to do business in the state in which the Equipment may be located, shall be in such form and amounts as are approved by Lessor and shall contain the insurer's agreement to give not less than thirty (30) days advance written notice to Lessor before cancellation, expiration or alteration of any policy of insurance. Lessee shall deliver to Lessor the policy or other evidence of insurance meeting the requirements of this paragraph in form satisfactory to the Lessor. The failure of the Lessee to cure or maintain such insurance shall constitute a default under this Master Lease and under each Equipment Schedule entered into between the parties. In the event of such breach, the Lessor may, but shall not be obligated to, effect such insurance and an amount equal to the cost of such insurance shall be paid forthwith by the Lessee to the Lessor. Lessee hereby appoints Lessor as Lessee's attorney-in-fact and may claim for, receive payment of, and execute and endorse all documents, checks, or drafts, for loss or damage under any said insurance policy and said power, being coupled with an interest, shall be irrevocable during the term of each Equipment Schedule.

15. LOSS OR DAMAGE

Lessee, as the party entitled to the sole use and possession of the Equipment during the term of any Equipment Schedule, hereby assumes and shall bear the entire risk of loss, theft, destruction or damage to the Equipment or to any item thereof from any and every cause whatsoever, whether or not such risks have been covered by insurance. No loss or damage to the Equipment shall relieve Lessee of its obligations to pay Rental and all other obligations under this Master Lease and each Equipment Schedule. In the event of loss or damage to the Equipment, Lessee, at the option of Lessor, shall (a) restore the Equipment to the same good condition, repair and working order in which it existed immediately prior to such loss or damage, or (b) replace the same with like equipment in good condition, repair and working order with clear title thereto in Lessor, or (c) pay to Lessor in cash within thirty (30) days after demand thereof, an amount equal to (i) the total Rental and other sums due and owing hereunder and under such Equipment Schedule at the time of such payment plus (ii) the present value (at Liberty National Bank & Trust Company of Louisville Index Rate of interest) of all Rental and other amounts payable by Lessee with respect to the Equipment from date of such payment to date of expiration as specified in the appropriate Equipment Schedule, plus (iii) an agreed reversionary value of said Equipment not to exceed twenty-five (25%) percent of the Lessor's Total Acquisition Cost of the Equipment as entered on the applicable Equipment Schedule. Lessee and Lessor agree that Lessor's actual damages resulting from loss or damage to the Equipment, whether insured or not, would be difficult if not impossible to calculate in advance of each occurrence and therefore agrees upon the foregoing formula as a reasonable estimation thereof. Upon Lessor's receipt of such payment, Lessee and/or Lessee's insurer shall be entitled to Lessor's interest in said item, for salvage purposes, in its then condition and location "AS IS" without warranty, express or implied.

16. LESSOR'S PAYMENT

If Lessee fails to pay any fees, assessments, charges or taxes, all as hereinabove specified, Lessor shall have the right, but shall not be obligated, to pay said fees, assessments, charges and taxes, as the case may be. In that event, the Lessee shall repay to Lessor the cost thereof with the next payment of Rental.

17. DEFAULT

A. (i) If Lessee shall default in the payment of any installment of Rental or in the payment of any other amount required herein to be paid by Lessee for a period of ten (10) days after the same is due and payable, or (ii) in the event of any other default or breach of the terms and conditions of this Master Lease and each Equipment Schedule between the parties hereto which is not cured within ten (10) days after notice in writing to Lessee of the existence of such default, or (iii) if any execution or other writ or process shall be issued in any action or proceeding against the Lessee whereby the said Equipment may be taken or distrained, or (iv) if a proceeding in bankruptcy, reorganization, receivership or insolvency shall be instituted by or against the Lessee or its property, or (v) if the Lessee shall enter into any agreement or composition with its creditors, whether voluntary or involuntary, or (vi) if the Lessee shall breach any of the terms of any loan or credit agreement, or default thereunder with any other party, or (vii) in the event Lessee defaults under any other Master Lease, Equipment Schedule or other agreement at any time executed with Lessor or any assignee, or (viii) if the Equipment or any part thereof is abused, illegally used or misused, then and upon any of the foregoing, Lessee shall be in default under this Master Lease and under all Equipment Schedules into which this Master Lease is incorporated.

Upon the occurrence of any such default, Lessor shall have the right to exercise any one or more of the following remedies:

- (a) To declare by written notice to Lessee the entire amount of Rental plus accumulated late charges and sales or use taxes applicable thereto immediately due and payable as to any and all items of Equipment.
 - (b) To withhold payment of any sum owing for any reason from Lessor to Lessee or to retain any property of whatsoever kind or description of Lessee which Lessor may possess as security for all such indebtedness of Lessee to Lessor occasioned by any provision hereof.
 - (c) To take possession of the Equipment and, at the sole option of the Lessor taking into account federal tax benefits and other considerations, release the same, or a portion thereof, for such period or rental and to such person or persons as Lessor shall elect and apply the proceeds of any such renting after deducting all costs and expenses incurred in connection with the recovery, repair, storage and renting of the Equipment in payment of the Rental and other amounts due from Lessee to Lessor, Lessee remaining responsible for any deficiency.
 - (d) At Lessor's sole option which may be exercised to minimize federal tax consequences of such breach, to sell the Equipment at public or private sale for cash and Lessor reserves the right to retain or reacquire ownership thereof at such sale.
 - (e) To sue for and recover all costs, and other payments, including but not limited to all installments of Rental then unpaid plus accumulated late charges due and owing up to the date of repossession, the expense of retaking possession, the removal of the Equipment and court costs, then accrued or thereafter accruing with respect to any or all items of Equipment, in addition to the balance of the Rentals provided for herein, or in a renewal thereof, plus reasonable fees and expenses for Lessor's or Assignee's counsel incurred in collecting or enforcing, or endeavoring to enforce or collect such costs, Rentals and other payments, less the net proceeds of the sale of said Equipment, if any, after deducting all costs of taking, storage, repair, sale and reasonable attorney's fee applicable to such repossession and sale.
 - (f) To immediately take possession of any or all items of Equipment, after demand or notice, wherever same may be located, without any court order or other process of law. Lessee hereby waives any and all damages occasioned by such taking of possession. Any said taking of possession shall not constitute a termination of this Master Lease and any Equipment Schedule thereof unless Lessor expressly so notifies Lessee in writing.
 - (g) To terminate this Master Lease and any Equipment Schedule, as to any or all items of Equipment, upon written notice by Lessor to Lessee, and only with respect to such item or items of Equipment as Lessor specifically elects to terminate in such event.
 - (h) To institute an action to compel the specific performance by Lessee of this Master Lease and each Equipment Schedule.
 - (i) To pursue any other available remedy at law or in equity.
- B. Notwithstanding any said repossession, or any other action which Lessor may take, Lessee shall be and remain liable for the full performance of all obligations on the part of Lessee to be performed under this Master Lease and each Equipment Schedule.
- C. All such remedies are cumulative, and may be exercised concurrently or separately and from time to time.

18. INDEMNITY

Lessee shall indemnify and hold harmless Lessor, its agents, servants, successors and assigns, from and against any and all losses, damages, injuries, claims, demands, actions, suits, proceedings, liabilities, costs and expenses, including legal expenses, of whatsoever nature arising out of, connected with, or resulting from the manufacture, selection, use, possession, delivery or condition (including, but not limited to, latent and other defects and

whether or not discoverable by it), or operation of any item of the Equipment, regardless of where, how, and by whom operated, or resulting from operation of law or infringement on patent rights or resulting from consummation of this leasing transaction. Lessee agrees that upon written notice by Lessor of the assertion of such a claim, action, damage, obligation, liability or lien, Lessee shall assume full responsibility for the defense thereof. The indemnities and assumptions of liabilities and obligations herein provided for shall continue in full force and effect notwithstanding the termination of this Master Lease and any Equipment Schedule, whether by expiration of time, by operation of law, or otherwise.

19. NOTICES

All notices and other communications made or required to be given under this Master Lease and any Equipment Schedule shall be in writing and shall be deemed given when sent by regular mail. Each such notice may be sent to the Lessor at the address set forth in the applicable Equipment Schedule with a copy to any Assignee at the address(es) set forth in any notice thereof given to Lessee. Each notice to Lessee may be sent to the address set forth in the applicable Equipment Schedule. Lessor, Lessee and Assignee may cause the address for notices to be changed by sending a notice to the other party containing the new address.

20. GOVERNING LAW

This Master Lease and each Equipment Schedule shall in all respects be governed by, and construed in accordance with, the laws of the Commonwealth of Kentucky.

21. WAIVER; REMEDIES

The failure by the Lessor at any time to enforce any default or right reserved to it, or to require performance of any of the terms, covenants or provisions hereof by the Lessee at any time designated, shall not be a waiver of any such default or right to which the Lessor is entitled, nor shall it in any way affect the right of the Lessor to enforce such provisions thereafter. The Lessor may exercise all remedies, simultaneously, pursuant to the terms hereof, and any such action shall not operate to release the Lessee until the full amount of the Rentals due and to become due and all other sums to be paid hereunder have been paid in cash.

22. MISCELLANEOUS

- (a) Lessor and Lessee acknowledge that there are no agreements or understandings, written or oral, between Lessor and Lessee with respect to the Equipment, except as set forth herein and in each Equipment Schedule and that this Master Lease and each Equipment Schedule contains the entire agreement between Lessor and Lessee with respect thereto. Neither this Master Lease nor any Equipment Schedule may be altered, modified, terminated or discharged except by a writing signed by the party against whom such alteration, modification, termination or discharge is sought.
- (b) Time is of the essence with respect to this Master Lease and each Equipment Schedule executed pursuant hereto.
- (c) The captions set forth herein and in each Equipment Schedule are for convenience only and shall not define or limit any of the terms herein or therein.
- (d) This Master Lease and each Equipment Schedule shall become effective and binding as of the date each is accepted by Lessor, and, upon such date this Master Lease and each Equipment Schedule shall be binding upon and inure to the benefit of both parties hereto and their respective legal representatives, successors and assigns, unless otherwise expressly provided herein.
- (e) All agreements, representations, indemnities and warranties made by Lessee in this Master Lease, any Equipment Schedule or any document delivered pursuant hereto or thereto shall be for the benefit of Lessor and any Assignee and shall survive the expiration or earlier termination of this Master Lease or such Equipment Schedule.
- (f) If any term or provision of this Master Lease or any Equipment Schedule or the application thereof to any person or circumstance shall, to any extent, be held invalid or unenforceable, the remainder of this Master Lease or such Equipment Schedule or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby and each term and provision of this Master Lease and any such Equipment Schedule shall be valid and enforced to the fullest extent permitted by law.
- (g) If Lessee is a corporation or a partnership, Lessee, upon execution of this Master Lease shall provide Lessor with certified resolutions of its board of directors or of all of its general partners and an opinion, if requested by Lessor, of Lessee's counsel addressed to Lessor and to any Assignee, with respect to the representations and warranties contained in this Master Lease and such Equipment Schedule and such other matters as may be reasonably requested by Lessor, and Lessee shall also supply such other documents as Lessor or such Assignee may reasonably request.
- (h) If more than one Lessee is named in this Master Lease or in any Equipment Schedule, the liability of each Lessee shall be joint and several.

23. ADDITIONAL TERMS AND CONDITIONS

IN WITNESS WHEREOF, the parties hereto have executed this Master Lease Agreement as of the date first above written.

* See "Notary Acknowledgements" Attached.

Indiana & Ohio Rail Corp.
LESSEE

LIBERTY NATIONAL LEASING COMPANY
LESSOR

* BY: X Edmund R. Keenan II

* BY: Richard Melhorn

TITLE: Controller

TITLE: V.P.

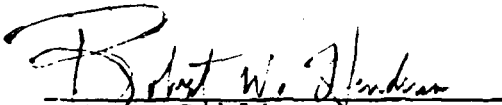
Witness: Donald R. Hollingsworth
Byron G. Fugate

Witness: Donald R. Hollingsworth
Byron G. Fugate

State of Kentucky

County of Jefferson

The foregoing instrument was acknowledged before me
this 28th day of January, 1993, by Richard A. Melhorn,
Vice President of Liberty National Leasing Company, a
Kentucky corporation, on behalf of the corporation.


Notary Public
ROBERT W. HENDERSON

Notary Public, State at Large, KY.
My commission expires June 26, 1995

State of Ohio

County of Hamilton

The foregoing instrument was acknowledged before me
this 27th day of January, 1993, by Edmund R. Kiernan III,
the Controller of Indiana & Ohio Rail Corp., an Ohio
corporation, on behalf of the corporation.

A handwritten signature in cursive script, appearing to read "Peter E. Kelsey", is written over a horizontal line.

Notary Public

PETER E. KELSEY

Notary Public, State of Ohio

My Commission Expires July 16, 1996



Liberty National Leasing Company

A Subsidiary of Liberty National Bank

P.O. Box 32500
Louisville, KY 40232

Schedule A

Equipment Schedule No. 01

To Master Lease Agreement No. 2784 dated as of 1-21-93

LESSEE: Indiana & Ohio Rail Corp.

ADDRESS FOR NOTICES:
P.O. Box 12576

Cincinnati, Ohio 45212-0576

LESSOR: LIBERTY NATIONAL LEASING COMPANY

ADDRESS FOR NOTICES:

P.O. Box 32500
Louisville, Kentucky 40232
Attn: Operations Manager

COMMENCEMENT DATE: January 21, 1993
(to be determined and entered when Lessor signs this Schedule)

ORDER OF EQUIPMENT

Lessee authorizes Lessor to acquire Equipment conforming to the description set forth on the reverse side hereof for the purpose of leasing same to Lessee under the terms set forth herein and in the Master Lease. Lessee hereby approves Lessor's placing an order for, or accepting an invoice for shipment of, Equipment conforming to such description from such supplier for the estimated price(s) shown. Lessor agrees to provide Lessee with a copy of the supplier's acceptance of the Lessor's purchase order and/or the supplier's conforming invoice after receipt by Lessor. Lessor further agrees to provide Lessee with a copy of the supplier's warranties which cover the Equipment and have been provided to Lessor and hereby assigns to Lessee the exclusive right to enforce such warranties upon discovery of any breach thereof, either in the Lessor's name or in the Lessee's own name.

TERM

The Basic Term of this Equipment Schedule shall be for a period of Sixty (60) months from and after the Commencement Date set forth above.

RENTAL

Lessee agrees to pay 60 installments of Rental during the Basic Term in advance commencing on the 21st day of January, 1993 in the amount of \$ each. Lessee shall accompany each such installment of Rental with an applicable sales/use tax payment of

\$ Exempt so that each installment of Rental plus appropriate tax shall total \$. Such installments of Rental and taxes shall be paid pursuant to and in the manner stated in Section 3 of the Master Lease. Each installment of Rental and taxes due hereunder shall be paid without notice or demand on the same date of each subsequent month thereafter.

ACCEPTANCE

Lessee agrees with Lessor that Lessee shall cooperate with the supplier(s) in receiving, installing and starting up all of the Equipment described on the reverse side hereof. Lessee agrees that it will inspect each item of Equipment as received and installed and execute one or more Acceptance Supplements in the form attached hereto and return such executed Acceptance Supplement to Lessor for its records.

SPECIAL TERMS

Pursuant to Section 1 of the Master Lease, the terms contained on the Riders listed below and attached hereto and any other supplemental provisions entered below shall be applicable to and constitute a part of this Equipment Schedule: Rider 12

NON-CANCELLABLE LEASE

This Equipment Schedule cannot be cancelled or terminated except as expressly provided herein or in the Master Lease.

MASTER LEASE

This Equipment Schedule is issued pursuant to the Master Lease identified above. Except to the extent expressly modified hereby, the parties hereto by their execution and delivery hereof reaffirm and incorporate herein by reference all of the terms, covenants and conditions of said Master Lease as if such term, covenants, and conditions were fully set forth in this Equipment Schedule. All of the capitalized terms used herein or in the Riders annexed hereto shall have the meanings ascribed to them in the Master Lease unless otherwise expressly stated herein or therein.

LESSEE: Indiana & Ohio Rail Corp.

BY: X Edmund R. Keenan III

TITLE: Controller

Date of Lessee's execution hereof: Jan 27, 1993

LESSOR'S ACCEPTANCE:

The foregoing Equipment Schedule is hereby accepted as of the Commencement Date entered above.

LIBERTY NATIONAL LEASING COMPANY

BY: Regard Melton

TITLE:

EQUIPMENT DESCRIPTION

SUPPLIER:

Name TOIX Equipment Corp. c/o Grand Truck Western Railroad
 Address 17177 N Laurel Park Drive
 City Livonia State Michigan Zip 48152
 Sales Rep. Pete Collins Telephone No. 313-591-7733

Quantity	Model No.	Serial No.	Description	Estimated Costs	Actual Cost
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Eleven (11) 86', Auto Rail Box Cars

CAR NUMBERS:

OLD	NEW
GTW 126022	IOCR 86001
DTI 26812	IOCR 86002
DTI 26831	IOCR 86003
DTI 26886	IOCR 86004
GTW 126015	IOCR 86005
GTW 126805	IOCR 86006
GTW 126194	IOCR 86007
DTI 26834	IOCR 86008
DTI 26576	IOCR 86009
DTI 26335	IOCR 86010
GTW 305924	IOCR 86011

Total Cost \$

Sales Tax	<u>n/a</u>	<u> </u>
Delivery	<u>n/a</u>	<u> </u>
Installation	<u>n/a</u>	<u> </u>
Other	<u>n/a</u>	<u> </u>

LESSOR'S TOTAL ACQUISITION COST

\$ \$

Equipment Location: 665 East Front Street
Logan, Ohio 43138

EQUIPMENT PRICE VARIATION

Lessor reserves the right to reject this Equipment Schedule if the Total Acquisition Cost for the Equipment identified after delivery, set up and start up exceeds the Estimated Total Acquisition Cost set forth above by more than ten (10%) percent based upon invoices submitted by the supplier(s). In the event of a greater variation than allowed above, Lessor shall endorse or assign to Lessee each of its purchase orders originated by or assigned to it with respect to the Equipment and Lessee agrees to indemnify and hold Lessor harmless from any claims against Lessor resulting therefrom, including consequential damages and attorney's fees if court action is necessary.